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Hasanjan Sayit* (hs7@wpi.edu), 100 Institute Road, Worcester, MA 01609, and **Frederi Viens** (viens@stat.purdue.edu), Purdue University, West Lafayette, IN 47907. *Arbitrage-Free Models In Markets With Transaction Costs.*

In this note, we study no-arbitrage conditions in a market with multiple risky assets and proportional transaction costs. We present a condition which is sufficient for the market to be arbitrage-free and investigate its properties. In particular, we provide examples of price processes that are not semimartingales but are consistent with absence of arbitrage. (Received March 23, 2010)